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FOR THE BENEFIT OF THE LESS DEVELOPED AREAS

SUMMARY

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Yugoslavia

THE LOCATION OF INDUSTRY IN UNDERDEVELOPED AREAS

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THE LOCATION OF INDUSTRY IN UNDERDEVELOPED AREAS

Regional aspects have become the primary component of the present-day economic development, and the location of industry can nowadays be considered only from the viewpoint of the optimum development of the whole. This functional relationship is even more necessary for the less-developed areas, bearing in mind the well-known elementary problems regularly accompanying their industrial emancipation. The first is the reaching of the maximum accumulation and of its effectiveness followed by the problems of agriculture, the lack of technical personnel, and that of an unsatisfactory balance of payments. The right locational policy would alleviate the severity of these problems.

The specific motives of locational policy arise out of the necessity to change the structure of the economy and of the population. This long-term objective has often to be set before the immediate economic effects, which can in a certain stage create differences between the developed and less-developed regions of a country. It is, however, essential to consistently, deliberately observe the long-term plan of the industrialization of less-developed regions.

An uncontrolled spacial dispersion of construcion is negative. The principle of selective concentration of industrialization in certain centres is backed by all economic reasons.

It is the social ownership of the means of production and the planned economy based on it that provide all the conditions to bring about an optimum locational policy. Contemporary trends tending to run more and more along that line, the antihistorical attitude of the majority of the representatives of the locational theory of the classical type appears to be even more anachronistic. The dynamic approach is the only proper approach to the general theory of location; it is, however, still necessary to fill the gap in the theory of location referring to the specific framework of underdeveloped areas.

It is only in the full macro-aspect that the methods of micro-determination of the location of an industrial enterprise can be efficiently used and valorized.

Yugoslav experience can be of interest both owing to the size of its underdeveloped regions and the extent to which they are backward as well as owing to the general positive attitude to their speedy industrialization and to problems recorded in the field of locational policy. These problems refer to the defficiency of a specific locational concept concerning underdeveloped areas as well as to the methodology of micro-treatment. Regional specialization, the envisaging of centers for the concentration of industrial development, and the safeguarding of links between the new location and the market represent the basic methods of dealing with this problem. The stipulations necessary to make this possible can be met by the introduction of long-term planning, the overcoming of the global quality of the plans and the improvement of the investment system.

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